

UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO

IN RE:
MIGUEL JUAN ESTEVA TORREGROSA

CASE NO. 11-03744-BKT

CHAPTER 13

DEBTOR (S)

**TRUSTEE'S UNFAVORABLE REPORT
ON PROPOSED PLAN CONFIRMATION UNDER §1325**

TO THE HONORABLE COURT: NOW COMES, José R. Carrión, Chapter 13 Trustee, and very respectfully alleges and prays:

This is the Trustee's position regarding the request, under **11 U.S.C. §1325**, for the confirmation of a Chapter 13 Plan.

Debtor(s)' Income: **Above Median / 60 months commitment period.** Gen Unsecured Pool: **\$1,360.20**

The **LIQUIDATION VALUE** of the estate has been determined in **\$28,024.00 R2016 STM. \$3,000.00**

TOTAL ATTORNEYS FEES THRU PLAN: \$2,400.00 Fees paid: \$0.00 Fees Outstanding: \$2,400.00
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With respect to the proposed (amended) Plan dated: **May 01, 2011** (Dkt 2). Plan Base: **25,500.00**

The proposed (amended) plan can not be confirmed because it has the following deficiencies:

- Insufficiently Funded : Fails CREDITORS' BEST INTEREST TEST [§1325(a)(4)]

Plan is insufficiently funded per the liquidation value established in this case. Minimum plan base must be, approximately, \$50,000.00.

- Feasibility [§1325(a)(6)]: Default in payments to Trustee.

Debtor is \$1,700.00 in arrears in payments to the Trustee. In light of this, the Trustee filed a motion to dismiss on September 29, 2011 (Docket 24).

- Fails Disposable Income Test : Unreasonable Expenses; Unwarranted payroll Deductions; Fails to use Income Tax refunds and Others. [§1322(a)(1) & §1325(b)(1)(B)]

Debtor must amend plan to state that all future tax refunds will be submitted to the Trustee to increase the base of the plan.

- Debtor(s) fails to comply with Income Tax Return filing requirements of §1308. [§1325(a)(9)]

Debtor must submit evidence of filing 1040PR tax returns for the years 2007 to 2010. The evidence submitted to the Trustee and to this Honorable Court pertain to the 940 tax returns (Docket 13).

- Debtor(s) has/have failed to comply with her/his/their duties as a Debtor(s), debtor(s) has/have failed to provide documents and/or information requested at the meeting of creditors, impairing the Trustee duties performance under the Code. [11 USC §521 & §1302(b)]

Debtor must submit evidence of his wife's income, as requested during the creditors meeting. This information is necessary to determine feasibility of plan and whether Debtor is submitting all his disposable income to fund the same.

Due to the above described deficiencies in the proposed plan the Trustee Objects to the Confirmation of the same.

CERTIFICATE OF SERVICE: The Chapter 13 Trustee herewith certifies that a copy of this motion has been served via first class mail on the same date it is filed to: the DEBTOR(s), and to her/his/their attorney through CM-ECF notification system.

In San Juan, Puerto Rico this October 13, 2011.

/s/ Alexandra Rodriguez -Staff Attorney

JOSE R. CARRION

CHAPTER 13 TRUSTEE

PO Box 9023884, San Juan, PR 00902-3884

Tel. (787) 977-3535 Fax (787) 977-3550

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